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Attorney for Secured Creditor  
HERITAGE BANK OF COMMERCE

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

In re:

KENNETH DAVID GONZALES,  
  
Debtor.

Case No. 2014-54150

Chapter 11

ORDER CONFIRMING TERMINATION OF  
USE OF CASH COLLATERAL AND FOR  
RELIEF FROM STAY

In accordance with the terms and conditions of the Stipulation For Use Of Cash Collateral, For Adequate Protection Payments, And For Relief From Stay between **HERITAGE BANK OF COMMERCE** (the “Secured Creditor”) and Debtor **KENNETH DAVID GONZALES** (the “Debtor”) and the order thereon, and having considered the *ex parte* declaration and application filed in support of this order, the other pleadings, papers, and records on file in this case, and for good cause shown,

THE COURT HEREBY ORDERS AS FOLLOWS:

1. All right, power, and authority of Debtor to use and consume any and all rents, issues, profits and other sums payable (the “Rents”) in connection with any leases or occupancy agreements respect the real property commonly known as 1430 South Main Street, Salinas, California (the “Real Property”), including (without limitation) all sums due and payable under the lease (the “Villa Lease”) between Debtor and Villa Car Wash LLC (“Villa”), and all other

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2 items of property constituting the cash collateral of Secured Creditor is and hereby is confirmed  
3 to be terminated. All Rents shall be payable solely to Secured Creditor and Debtor shall not take  
4 any steps to collect, re-direct or hinder Secured Creditor's efforts to collect the Rents, without  
5 further order of this court.

6 2. Secured Creditor is granted relief from stay pursuant to 11 U.S.C. §362 to  
7 foreclose on and exercise any rights and remedies under those certain deeds of trust affecting the  
8 Real Property and further described as follows: (1) Deed of Trust having been recorded in the  
9 official records of Monterey County on June 27, 2006, and referenced as document number  
10 2006-056853, (2) Deed of Trust having been recorded in the official records of Monterey County  
11 on June 27, 2006, and referenced as document number 2006-056854; (3) Deed of Trust having  
12 been recorded in the official records of Monterey County on June 4, 2007, and referenced as  
13 document number 2007-044199; and (4) Deed of Trust having been recorded in the official  
14 records of Monterey County on October 31, 2007, and referenced as document number 2007-  
082800.

15 3. Secured Creditor is further granted relief from stay to exercise any rights and  
16 remedies afforded by any other documents securing or related to the obligations owing by Debtor  
17 to Secured Creditor, including (without limitation) the following, but solely to the extent same  
18 extend to any collateral for the obligations owing to Secured Creditor by Debtor and/or Villa:

19 a. a U.S. Small Business Administration ("SBA") Note dated June 19, 2006,  
20 and identified as SBA loan number PLP 1762256004, in the original amount of \$1,645,000; a  
21 Business Loan Agreement dated June 19, 2006; an Assignment of Rents (the "Loan 100 Rents  
22 Assignment") respecting the Real Property, dated June 19, 2006 and recorded in the official  
23 records of Monterey County on June 27, 2006, and referenced as document number 2006-  
24 056855; a Hazardous Substance Certificate and Indemnity Agreement respecting the Real  
25 Property, dated June 19, 2006 and recorded in the official records of Monterey County on June  
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2 27, 2006, and referenced as document number 2006-056856; a SBA Authorization dated April  
3 14, 2006; a Loan Agreement and Borrower's Certification dated June 19, 2006; Amendments to  
4 the SBA Authorization dated February 2, 2010 and December 20, 2011, respectively; a  
5 Subordination Agreement-Lease between Villa as Lessee, Debtor, and Secured Creditor dated  
6 June 19, 2006, and recorded in the official records of Monterey County on June 27, 2006 and  
7 referenced as document number 2006-056857; those certain Change in Terms Agreements dated  
8 February 2, 2010 and December 20, 2011, respectively; and any other documents, instruments,  
9 certificates and agreements executed in connection with the foregoing;

10 b. a Promissory Note dated October 19, 2007 and in the original amount of  
11 \$1,100,000; a Business Loan Agreement dated October 19, 2007; an Assignment of Rents dated  
12 October 19, 2007 and recorded in the official records of Monterey County on October 31, 2007,  
13 and referenced as document number 2007-082801; a Hazardous Substance Certificate and  
14 Indemnity Agreement dated October 19, 2007 and recorded in the official records of Monterey  
15 County on October 31, 2007, and referenced as document number 2007-082802; a Subordination  
16 Agreement-Lease dated October 19, 2007, and recorded in the official records of Monterey  
17 County on October 31, 2007 and referenced as document number 2007-082806; a Change in  
18 Terms Agreement dated December 20, 2011; and any other documents, instruments, certificates  
19 and agreements executed in connection with the foregoing.

20 c. The foregoing shall not affect or restrict Secured Creditor's rights in  
21 connection with any other parties or collateral pledged directly or indirectly for the obligations  
22 owing by Debtor to Secured Creditor.

23 4. Any costs and expenses incurred by Secured Creditor in exercising any rights or  
24 remedies afforded or permitted by this order are and shall constitute obligations owing by Debtor  
25 to Secured Creditor .

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2           5.       Any funds remaining after said the satisfaction of Secured Creditor's claim (if any  
3 and to the extent attributable to collateral pledged by Debtor) will be promptly forwarded to the  
4 estate or any other party having any right, title or interest therein.

5           6.       The 10-day stay period prescribed by Federal Rule of Bankruptcy Procedure Rule  
6 4001(a)(3) and the 7-day waiting period provided for in California Civil Code §2924g(d) are  
7 each hereby waived.

8 Dated: \_\_\_\_\_, 2014

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10 JUDGE OF THE UNITED STATES  
11 BANKRUPTCY COURT  
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